

III. Wisconsin Sesquicentennial Commission -- Dean Amhaus, Executive Director

The commission requests a supplement of \$65,478 GPR in 1996-97 from the Committee's appropriation under s. 20.865(4)(c), Wisconsin sesquicentennial commission appropriation supplement, to the appropriation under s. 20.525(1)(k), Wisconsin sesquicentennial commission; supplementable gifts and grants, to provide grants to commemorate the 150th anniversary of Wisconsin statehood. The commission also requests that it be allowed to provide an updated report of the actual supplement requested from the Committee's appropriation on June 20, 1997 at the Committee's scheduled 13.10 meeting.

Governor's Recommendation

Approve the request.

CORRESPONDENCE MEMORANDUM

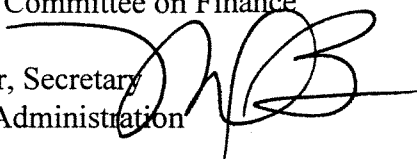
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STATE OF WISCONSIN
Department of Administration

Date: June 20, 1997

To: Members, Joint Committee on Finance

From: Mark D. Bugher, Secretary
Department of Administration



Subject: Section 13.10 Request from the Wisconsin Sesquicentennial Commission for Supplement Funds.

Request

The Wisconsin Sesquicentennial Commission requests approval of the transfer of \$65,478 supplement funds from the Committee's appropriation under s.20.865(4)(c) to the commission's appropriation under s.20.525(1)(k) upon receipt of documentation of the amounts of gifts and grants received by the commission.

Background

1996 Wisconsin Act 445 appropriated \$1,250,000 under the Joint Committee on Finance's supplemental appropriation, s.20.865(4)(c) for the purpose of supporting the commission's general program operations. These funds may be released by the committee on a dollar-for-dollar matching basis once the commission has provided documentation that it has received gift and grant monies. This supplement does not apply to the first \$250,000 received by the commission as gifts and grants.

Analysis

To date the Wisconsin Sesquicentennial Commission has deposited \$362,533 in their gifts and grants appropriation, s.20.525(1)(k). These funds were received as gifts and grants from the private sector. The commission received \$47,055 in supplement funds at the s.13.10 meeting held on March 27, 1997. The commission is now eligible for the transfer of an additional \$65,478 from the committee's supplemental appropriation, s.20.865(4)(c). The commission further requests that they be allowed to provide a more current report of actual deposits at the s.13.10 meeting on June 20, 1997, and a corresponding larger transfer from the committee's appropriation.

Recommendation

Approve the request.

Prepared by: Gail Riedasch
266-1038



June 5, 1997

The Hon. Brian Burke, Senate Co-Chair
Joint Committee on Finance
119 MLK, Jr., Blvd., Suite LL-2
Madison, WI

The Hon. Scott Jensen, Assembly Co-Chair
Joint Committee on Finance
315-N State Capitol
Madison, WI

According to 1995 Wisconsin Act 445, the Joint Finance Committee "...shall supplement, from the appropriation under s.20.865(4)(c), the appropriation to the Wisconsin sesquicentennial commission under s.20.525(1)(k) upon receipt of documentation of the amounts of gifts and grants received by the commission under s.20.245(4)(h). The supplement under this subsection shall equal \$1 for each dollar received by the commission as a gift or grant. This subsection does not apply to the first \$250,000 received by the commission as gifts or grants."

On March 27, 1997, based on Commission gifts and grants deposits of \$297,055.00 the Joint Committee on Finance approved releasing \$47,100.00 in state funds to the Commission. Since that date the Commission has deposited an additional \$65,478.00 into its account.

The Wisconsin Sesquicentennial Commission requests consideration under s.13.10 for formal recognition of the funds that it has received since March 27, 1997 and the release of \$65,478.00 in state funds. However, I would request that I be allowed to provide a more current report on the level of actual deposits to the Co-chairs and the members of the Joint Committee on Finance at a date immediately prior to the s.13.10 meeting.

Thank you for your assistance with this matter. If you have any questions or need additional information, please call me at 264-7992.

Sincerely,

Dean Amhaus
Executive Director

cc: Dan Caucutt
Robert Lang

WISCONSIN SESQUICENTENNIAL COMMISSION

8 South Carroll Street * P.O. Box 1848 * Madison, Wisconsin 53701-1848 * Phone: (608) 264-7990 * Fax: (608) 264-7994
Co-chaired by Governor Tommy G. Thompson * Governor Lee Sherman Dreyfus * Governor Patrick J. Lucey



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 20, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Health and Family Services--Section 13.10 Request for Single Entry Point Pilot Project--Agenda Item IV

The Department of Health and Family Services (DHFS) requests that \$1,359,800 GPR from moneys that are projected to lapse from the community options program in 1996-97 be carried forward to the 1997-99 biennium to fund a long-term care pilot program to test the concept of a single-entry point for information, assessment, and arrangement of services for long-term care.

DHFS requests that these carryover funds be allocated as follows: (a) transfer \$69,700 GPR in 1997-98 and \$73,100 GPR in 1998-99 to the Division of Supportive Living's general program operations appropriation to support 0.5 GPR project position, beginning in 1997-98 and terminating on June 20, 1999, to administer the pilot project (\$19,700 GPR in 1997-98 and \$23,100 GPR in 1998-99) and information technology costs (\$50,000 GPR annually); and (b) retain \$405,300 GPR in 1997-98 and \$811,700 GPR in the COP benefits appropriation to fund the contract costs for the entity that provides the single-entry point services in the test areas.

BACKGROUND

Long-Term Care Redesign. In 1995, DHFS began a major initiative to redesign the provision of long-term health care services in Wisconsin. The process has involved a number of steering committees in order to solicit comments and views from a broad range of groups. DHFS recently released a preliminary proposal and began a series of public hearings to receive public comment on the proposal. Originally, DHFS intended that after these public hearings, DHFS would revise the proposal, request drafting of the revised proposal, and introduce legislation in the Fall of 1997.

However, as a result of negative reaction to parts of the proposal, Secretary Leraan canceled the remaining scheduled public hearings and indicated in a June 6, 1997, letter that the proposal for the long-term care initiative has been withdrawn for further review. Although the initial

proposal has been withdrawn, Secretary Lekan indicated in a June 16, 1997, letter to the Co-Chairs that DHFS is still fully committed to a redesign of the long-term care system, and that the intention is to rework the proposal to produce a plan that would receive a broader consensus. In addition, Secretary Lekan stated that the single entry point will continue to be "an essential component in the new plan," and that DHFS is still interested in implementing a pilot program for the single entry point.

1997-99 Budget Bill -- Pilot Program Description. Senate Substitute Amendment 1 to Senate Bill 77, the 1997-99 biennial budget recommended for passage by the Committee, would authorize DHFS to establish, in geographic areas determined by DHFS, a pilot project under which DHFS could contract with a private or public entity to: (a) serve as a clearinghouse of information for individuals who are interested in home or community-based long-term support services or institutional long-term care services; (b) perform assessments, similar to those required under COP, using an assessment method established by DHFS, to determine an individual's functional abilities, disabilities, personal preferences and need for community-based or institutional long-term services; and (c) collect information specified by DHFS on the individuals served by the entity and provide that information to DHFS.

In areas where a pilot project is established, the substitute amendment specifies that the county COP agency would not be required to perform a COP assessment. In these areas, the COP county planning committee, in its COP plan, would be required to describe how the activities of the pilot project relate to, and are coordinated with, the county's COP program.

SSA 1 to SB 77 requires, in areas where a pilot program is established, that an individual who resides in the area receive an assessment from the entity contracted with by DHFS before that individual can enter a nursing home or community-based residential facility (CBRF) or participate in COP. Further, in areas where a pilot program is established, CBRFs would be prohibited from admitting an individual until the individual is assessed or is exempt from or waives assessment under the current exemption/waiver standards for a COP assessment. This requirement currently applies to nursing homes with respect to the COP assessment.

Finally, SSA 1 to SB 77 authorizes DHFS to require, for residents of the pilot program area, that the results of a client's assessment be submitted at the time a provider submits a request for prior authorization for MA services for that client.

1997-99 Budget Bill -- Funding for Pilot Project. As introduced, Senate Bill 77 included a provision that would enable DHFS to use any funding that would otherwise lapse at the end of the 1997-98 fiscal year to fund the pilot project in 1998-99. However, the bill did not specify how the pilot project would be funded in the 1997-98 fiscal year. DHFS staff indicated that the agency intended to pursue a s. 13.10 request to utilize COP funds that would otherwise lapse in 1996-97 to support the pilot program in 1997-98.

During its budget deliberations, the Committee considered several alternatives presented in LFB Paper #468 to fund the pilot program. These alternatives included: (a) appropriating

funding conditional on a COP lapse in 1996-97; and (b) increasing the Department's 1997-98 and 1998-99 budget to fund the projects so that funding for the pilot project in the 1997-99 biennium would not be dependent upon lapses from the COP appropriation.

However, both of these alternatives were defeated by an eight to eight vote. Instead, the Committee adopted the Governor's recommendation to authorize the pilot program, and limit funding for the program to an amount in 1998-99 that could not exceed funding that would lapse at the end of the 1997-98 fiscal year. Consequently, no funding is budgeted in SSA 1 to SB 77 to support the pilot project in the 1997-98 fiscal year.

ANALYSIS

The amount of funding that DHFS is requesting is the same amount DHFS requested in its 1997-99 biennial budget submission to support the pilot project. However, the Governor denied the DHFS request to increase funding to support the pilot project. DOA staff indicate that the Governor's recommendation to support the costs of the pilot project with funds that would otherwise lapse, rather than with increasing appropriation amounts, is based on the administration's desire to fund pilot projects within currently budgeted funds.

DHFS intends to establish six test sites that would serve approximately 15% of the targeted population, beginning January 1, 1998. The total funding for the pilot project would be \$650,000 (\$475,100 GPR and \$175,000 FED) and 1.0 project position (0.5 GPR and 0.5 FED) in 1997-98 and \$1,167,300 (\$664,900 GPR and \$282,500 FED) and 1.0 project position (0.5 GPR and 0.5 FED) in 1998-99. The federal funding and position request is not part of this s. 13.10 request, but would instead be requested from DOA under s. 16.54 of the statutes.

The requested funding would be allocated as follows: (a) \$19,700 GPR and \$19,700 FED in 1997-98 and \$23,100 GPR and \$23,100 FED for the 1.0 project position; (b) \$100,000 (\$50,000 GPR and \$50,000 FED) annually for a management information system; and (c) \$510,500 (\$405,300 GPR and \$105,200 FED) in 1997-98 and \$1,020,900 (\$811,700 GPR and \$209,200 FED) in 1998-99 to pay for assessments of persons utilizing the single entry point. The requested funding would fund approximately 6,900 assessments annually at a cost of \$147 per assessment.

As with any major initiative, a pilot program can be a valuable and essential tool to test ideas and learn of unforeseen problems. Before incurring the costs of establishing a system statewide, a pilot program can indicate important changes that may be needed to the new system, thereby avoiding the costs and disruptions of changing a statewide system.

Historically, the amount of lapses from the COP appropriation to the general fund has varied significantly from year to year. The lapses for fiscal years 1990-91 to 1995-96 are as follows:

<u>State Fiscal Year</u>	<u>Amount Lapsed</u>
1990-91	\$394,902
1991-92	114,983
1992-93	345,798
1993-94	162,884
1994-95	193,498
1995-96	1,712,180

DHFS projects that the COP lapse for 1996-97 will be approximately \$1.7 million, which would exceed the amount requested by approximately \$430,000. If this 1996-97 lapse is not utilized, given the variability of the COP lapse, it is uncertain whether there would be an adequate lapse in 1997-98 to fund the pilot program in 1998-99. Also, if the 1996-97 COP lapse is not utilized, the pilot program would not have a source of funding in 1997-98, other than internal reallocations at DHFS.

Based on the Committee's decision to adopt the SB 77 provisions authorizing DHFS to conduct the pilot project to support the pilot project with funds that would otherwise lapse to the general fund, the Committee may wish to approve the DHFS request.

The request for \$50,000 GPR annually for a management information system is a very rough estimate of the costs for collecting information for the participants of the pilot project. A specific software plan have not yet been developed. Although this is only a preliminary figure, collection of information on long-term care participation would be valuable in the design of policy for long-term care. However, the Committee may wish to place funding for the data collection system in unallotted reserve, which could be released by the Committee under a 14-day passive review process following submission to the Committee of a detailed expenditure plan for the these funds and justification that funding for this purpose cannot be reallocated from base funding for information technology projects.

Alternatively, the Committee could choose to begin the pilot project in 1998-99, rather than 1997-98, or deny the request. These alternatives would be consistent with the Committee's action on SB 77 to authorize funding for the pilot project in 1998-99 and not to provide funding for the pilot project in 1997-98. Under one alternative, the Committee would allow \$887,200 GPR of COP funds that would otherwise lapse in 1996-97 to be carried forward to 1997-98, which, in turn, would ensure that there would be sufficient funds to be carried forward to 1998-99 for funding of the pilot project in 1998-99.

If the Committee denies the request, no funding would be authorized for the pilot project in 1997-98. Instead, the SSA 1 to SB 77 provisions would ensure that funding would be available in 1998-99 for the pilot project in an amount equal to the amount that would otherwise lapse at the end of the 1997-98 fiscal year.

ALTERNATIVES

1. Approve the Department's request.
2. Modify the Department's request by placing all funding for the management information system (\$50,000 GPR in 1997-98 and 1998-99) in unallotted reserve, to be released by the Committee under a 14-day passive review process following the submission of a detailed expenditure plan for the use of these funds, and information that demonstrates that these information technology costs cannot be supported through reallocations of DHFS base funding.
3. Modify the Department's request by authorizing the carryover of \$887,200 GPR from the COP appropriation that would otherwise lapse in 1996-97 to 1997-98, and specify that the pilot project would not begin until July 1, 1998. These funds would be allocated in accordance with the Department's request for 1998-99.
4. Deny the request.

Prepared by: Richard Megna

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